

## Message Text

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PAGE 01 TOKYO 02363 180856Z

14

ACTION EB-07

INFO OCT-01 EUR-12 EA-09 ISO-00 AID-05 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06

SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15

STR-04 CEA-01 DODE-00 PM-04 H-02 L-03 PA-02 PRS-01

SAJ-01 /115 W

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R 180838Z FEB 76

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 6967

INFO AMEMBASSY MOSCOW

UNCLAS TOKYO 2363

E.O. 11652: N/A

TAGS: JA, SU, EEWT

SUBJECT: JAPANESE STEEL PIPE EXPORTS TO USSR

REF: TOKYO 5183, APR. '75

1. INDUSTRY SOURCES HAVE CONFIRMED THAT A SOVIET MISSION FROM THE ALL-SOVIET INDUSTRIAL MATERIALS IMPORT CORP. WILL VISIT JAPAN FEB. 23-MARCH 10 TO NEGOTIATE A FINAL CONTRACT FOR 500,000 TONS OF 56 INCH SEAMLESS STEEL PIPE REPORTEDLY TO BE USED IN TRANSPORTING NATURAL GAS 2500 KILOMETERS FROM TYUMEN TO TORJOK (PHONETIC), NORTH OF MOSCOW. IN A REVERSAL OF THE USUAL NEGOTIATING SEQUENCE, JAPAN EXPORT-IMPORT BANK SIGNED A PROTOCOL ON FEB. 14 PROVIDING OFFICIAL FINANCING AT A 7.55 PERCENT INTEREST RATE, AND A 5 YEAR REPAYMENT PERIOD. TOTAL VALUE OF THE SALE IS EXPECTED TO BE \$200 MILLION, OF WHICH EXIM WILL FINANCE \$160 MILLION.

2. COMMENT: CONSIDERABLE OPPOSITION EXISTS IN THE FOREIGN MINISTRY AND MITI TO GRANTING THE SOVIETS OFFICIAL CREDITS FOR AN ORDINARY EXPORT CONTRACT (AS OPPOSED TO UNCLASSIFIED

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PAGE 02 TOKYO 02363 180856Z

LARGE-SCALE PLANTS OR NATURAL RESOURCES DEVELOPMENT

PROJECTS-SEE REF). IT WAS FELT THAT IF THE STEEL  
INDUSTRY HAD SIMPLY WAITED, WEST EUROPEAN INABILITY  
TO SUPPLY LARGE DIAMETER STEEL PIPE WOULD HAVE  
CREATED A FAVORABLE SITUATION IN WHICH JAPAN WOULD  
NOT HAVE HAD TO GIVE SOMETHING FOR NOTHING. UNQTE.  
IN ADDITION, MANY FELT THAT THE AGREEMENT SET AN UNWELCOME  
PRECEDENT FOR FUTURE DEALINGS WITH NON-COMMUNIST CUSTOMERS.  
HEAVY PRESSURE FROM THE DEPRESSION-RIDDEN STEEL INDUSTRY,  
HOWEVER, PLUS JAPAN EXIM PRESIDENT SUMITA'S OWN DESIRE  
TO EXPAND THE SCOPE OF HIS BANK'S ACTIVITIES, OVERCAME  
THESE OBJECTIONS.  
HODGSON

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, VISITS, CONTRACTS, GAS PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976TOKYO02363  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760060-0275  
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**Status:** NATIVE  
**Subject:** JAPANESE STEEL PIPE EXPORTS TO USSR  
**TAGS:** EEW, JA, SU, UR  
**To:** STATE  
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